

would cost us \$100 to \$200 billion. He was asked to leave the administration for his candor. Now we can't get the administration to even tell us what this war, not only the waging of it but the cost of the occupation force afterwards, is going to cost. It isn't even factored into the budget deficit.

Make no mistake, I will say this as a person who has questioned this administration's approach on foreign policy. If and when this war begins, I will join an overwhelming bipartisan majority in Congress to provide every penny necessary to wage this war successfully and bring our men and women home safely, having completed their mission. We are going to do that. It is a given. To ask the administration what this is likely to cost is not unreasonable. We went into a bidding war over the last several weeks when it came to Turkey, how much money we would send to Turkey, if they would allow us to base our troops there for an invasion of Iraq. The numbers went from \$15 billion to \$26 billion. We were bidding right and left. What is it going to cost overall?

This administration is not putting money into homeland security. This administration is not budgeting what it takes to defend America against terrorism. We are budgeting what it takes to prepare to attack in Iraq; we are not budgeting what it takes to prepare to defend in America.

When all these are put together, understand that we are headed down a perilous course with President Bush's economic policy. It is a course which, frankly, is not going to invigorate the economy; it is not going to create jobs; it will not create consumer confidence. It will create a debt and deficit at the expense of Social Security and Medicare for generations to come. We should not, in a weak moment, rally behind a President who clearly is on the wrong course when it comes to America's economy. We need to stand up and make certain that we are going to work for a sound economy, a fiscal approach that is prudent and cautious and takes into consideration the needs of America in the long term.

I yield the floor.

The PRESIDING OFFICER (Mr. GRAHAM of South Carolina). The Senator from Nevada.

EXTENSION OF MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent—this has been cleared with the majority—that the Democrats be entitled to 45 minutes in morning business, and the Republicans 45 minutes, because of the prayer.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from Michigan.

MEDICARE

Ms. STABENOW. Mr. President, I rise to thank my colleague from Illi-

nois for his eloquence regarding the direction of our economy and the Federal budget and the grave concern he has that I share about the looming and massive long-term debt that is accumulating by the policies of this administration.

When we look at where we are going and the fact that the entire Medicare and Social Security trust funds are currently being used to fund tax cuts geared to the very top, the very wealthiest 1 percent, and when we look at the discussions we are having in the Budget Committee, we begin to see a picture that is disturbing. Because when we ask what will happen, when we are using all of these funds for other purposes, and we know that in just a matter of a few years, the baby boomers will begin to retire en masse and they have the expectation, as they should, that Social Security and Medicare will be there for them, they have paid into the system, and we are told, when we ask, how will we afford that, how will we be able to keep that commitment, well, that assumes that Medicare and Social Security will be structured the way they are today. That assumes there will be no reform.

What is becoming clear is that reform is a code word for privatizing; that there is a real interest, a commitment and movement to privatize or eliminate Medicare and Social Security, as we know it, in the long term.

Today I wish to speak again very specifically about Medicare because I believe that is the most imminent threat because the debate that has occurred since 1965, when Medicare passed, in various forms is occurring yet again today. That is the question of whether Medicare is a big American success story, which I believe it is, or just a big Government program, which I believe this administration feels it is.

I wish to speak specifically about special interest politics versus the needs of the public, the willingness to provide tax policy that benefits only a few, rather than the middle class, and small businesses that drive our economy, as well as the fact that in Medicare, we are seeing a willingness to move the system in a way that benefits, again, special interests over the needs of all of our seniors and the disabled in our country.

On page A6 of the Washington Post this morning, there is a very disturbing article. It says: "Bush Plan a Boon to Drug Companies." The President went before the American Medical Association yesterday and spoke about his plans for Medicare, again using the word "reform," which we know now is a code word for "privatization." Reform equals privatize when we talk about this issue of Medicare. We now find that it also directly relates, once again, to special interest politics, which is very disturbing.

The second headline is: "Medicare Prescription Proposal Would Also Benefit Insurers, Analysts Say." Not the insured, not the seniors about whom we

all talk, not the disabled people about whom we all talk, but the insurance industry.

It begins:

Health care economists said the drug benefit President Bush proposed for Medicare yesterday would be a bonanza for the pharmaceutical and managed-care industries, both of which are huge donors to Republicans.

It went on to say:

Marilyn Moon, a health economist at the Urban Institute, said Bush's plan would hand tremendous negotiating power to health insurance companies.

"By making the private plans such a central part of the future of Medicare, the government is going to have to meet their demands for greater contributions to the cost of care, over and above the subsidy for prescription drugs," Moon said.

Bush's proposal is vague on many points, including the terms for insurers. Tricia Neuman, a vice president of the Kaiser Family Foundation, said the plan would have to provide a windfall for the companies—

"Would have to provide a windfall for the companies."

or too few would participate for the plan to work.

The analysts said drug companies also could be expected to reap huge profits under Bush's approach.

Huge profits under Bush's approach. We have to ask ourselves: Is that the purpose of Medicare? Is that the purpose of health care? Is it the same as purchasing a pair of tennis shoes, purchasing soup, purchasing a new shirt so that we are talking about what profit margin we have off our Medicare recipients, or is the goal to make sure we have quality health care for every senior citizen?

I believe it is our responsibility to make sure this is a streamline system with as few dollars as possible going into administration and that the dollars should go directly to health care for our seniors, not into huge profits. We welcome profits in many areas. We need profits in our economy. We want businesses to be successful. But when we are talking about Medicare, we have a different priority in what we need to do to help our seniors make sure they have care.

To continue with the article:

Bruce C. Vladeck, who was President Clinton's head of the federal agency that runs Medicare, said Bush's plan "strikes me as the kind of proposal that pharmaceutical companies would write if they were writing their own bill."

These are the kind of comments we heard last year when we were debating prescription drug coverage and were told—in fact, we heard comments coming from staff in the House quoted in the paper as to how they were running their proposals by the pharmaceutical industry to make sure they were OK. It is clear this one is OK, and we should all be very concerned about who we are trying to help.

Continuing to quote:

"A slew of private health plans would have nowhere near the negotiating power that Medicare would have if there was national drugs benefit," said Vladeck, now a health

policy professor at Mount Sinai School of Medicine in New York City.

If Bush's proposal were enacted, it could provide a high-profile benefit for industries that are reliable donors to Republican candidates and committees. The Center for Responsive Politics said that for the past two elections combined, pharmaceutical manufacturers gave \$30 million to Republicans and \$8 million to Democrats.

Health service companies and HMOs, a leading form of managed care, donated \$10 million to Republicans and \$5 million to Democrats over the past two elections, according to the center's figures.

This should be a deep concern of every American, as well as my colleagues on both sides of the aisle and on the other side of this building about how this issue is being framed because of the realities it points out what is really going on with this issue.

I will make one more point. The article continues, quoting President Bush yesterday:

Bush, promising to bring more free enterprise to medicine, denounced "government-run health care ideas."

I have been saying for a long time that those who want to privatize Medicare believe that Medicare is a big Government-run program, and there is a major philosophical difference that has gone on since 1965 when only 12 colleagues from the other side of the aisle joined in passing Medicare. There is a huge chasm of difference as to whether we ought to even have Medicare.

Fundamentally, that is what this debate is about. It is not about what the premiums should be, what the copay should be. It is about who runs the system as to whether there should be a guarantee so that every person who turns 65 and gets that Medicare card knows they can choose their doctor, that they can get the medicine they need, that they know what the copay is, what the premium is, regardless of where they live in the country.

In a State such as Michigan, where we have the major metropolitan area of Detroit all the way up to Ironwood, MI, in the western part of the UP, people today know that under Medicare they can get the health care they need. That was a promise made by the United States of America in 1965, and now under a lot of different pretty words, a lot of different connotations of reform, we see an effort clearly outlined—and even in the President's own words—to put more free enterprise into the health care system. That is privatizing the health care system. That is privatizing Medicare.

In general, I do believe there is an important partnership between the public and the private sector. We have an employer model of health care in this country that has worked for workers and their families. I appreciate there is a benefit in having partnerships.

We have said as a country that once an American citizen reaches the age of 65 or they are disabled, we think it is important that whether one has private plans in their community, wheth-

er they can find them and/or whether they can afford them, they should be able to have health care. The reason Medicare came into being was that over half the seniors could not find or afford private insurance. That is why Medicare was created.

I, for one, will not quietly stand by to see a promise of some 38 years eroded by this administration or in this Congress. I know there are colleagues of mine on both sides of the aisle who have concerns. I am hopeful we can come together under Medicare.

What is very clear is—and in this article the outside analysts, independent voices, are saying—the fight is about how we administer the prescription drug benefit. The companies want to keep it disbursed in the private sector because they know if the some 40 million beneficiaries of Medicare today are in one insurance plan, they will be able to negotiate a group discount for the first time. They will not be paying retail. They will not be paying the highest prices in the world in order to get their medicine. They will be able to get a group discount.

The fight is on to make sure that seniors in this country do not have the collective power to be able to get that discount through Medicare. That is what this is about. It is one of the most fundamental fights we will have in this Congress and on the floor of the Senate, and I hope my colleagues on both sides of the aisle will come together and be willing to stand up and say Medicare works, Medicare is a great American success story, and we continue to promise that the Medicare plan will be there for every single senior and the disabled in our country.

This is a fundamental fight, and I hope my colleagues will join me in making sure this plan that is passed is not a boon for the drug companies or for the HMOs but is a boon for the seniors of America.

ECONOMIC STIMULUS

Ms. STABENOW. I move now to another very important topic, and that is the question of stimulating this economy. We know that to get out of the massive debt that is being accumulated, we have got to stimulate the economy. We have to reverse the trend right now. We have seen over 2 million private sector jobs lost in the last 2 years. We have to go back to the Eisenhower Presidency to find those kinds of numbers, those kinds of huge private sector losses and this massive debt. We know that has to be turned around.

Part of what needs to happen to begin to get us back to the balanced budget and out of this massive debt, so we can protect Social Security and Medicare, is to stimulate the economy and create jobs. I am very proud to be a part of an effort to do that.

We have in front of us a Democratic plan that has been introduced by our leader and Members in our caucus. It will provide immediate relief for fami-

lies through a broad-based tax cut that is on the front end, a tax cut to the middle class and to those in our country who we know will turn around and buy those school clothes or a new car—and coming from Michigan, I am always hopeful it is a new American-made car—and purchasing that new home and all of those things that stimulate the economy, rather than giving the tax relief to somebody who has three homes or has five cars and is not likely to buy another one.

What we want is to put that tax cut in the hands of middle-class people, working people, who will spend it now, so that our businesses will see the demand. Right now, newspaper headlines this week in Michigan relate to the auto industry cutting back on the building of new cars because the demand is not there.

We have a proposal that relates to demand, not trickle-down economics from the top but demand, to put money in the pockets of people who will spend it. That is exactly what our proposal would do. It would provide about a \$1,200 tax cut this year for a family of four. It would also provide tax incentives to encourage businesses to invest and create jobs, and it would increase the current multiyear bonus depreciation so if one invested now, they would get a bonus depreciation, which is very important.

It would triple the amount of investments small businesses can write off immediately, and this is very important because the majority of new jobs are coming from small business. We need to be focusing on tax policies that will help and support job creation in small business.

It would provide a 50-percent tax credit in 2003 to help small businesses pay for their share of health insurance premiums. This relates very much to the broader question of health care and where we are going.

Later today, we are going to be introducing legislation to cut the price on prescription drugs so we can bring that health insurance premium down for small businesses. It would provide a 20-percent tax credit in 2003 for businesses investing in broadband, high-speed Internet infrastructure, focusing on rural areas, underserved areas. This is very important. We are in a high-tech new economy, and broadband access is critical as we move forward to be able to compete in the new world of high technology and helping small businesses invest, particularly in our rural areas, the hard-to-reach areas. It is an important part of our economic development structure.

Another important piece we believe must be addressed now is to provide \$5 billion for hometown security that would make sure that as we are investing in the economy, we are also making sure we are safe at home. When people have an emergency, they call 9-1-1. We want to make sure people on the other end of that line have the communications equipment, the technology, the training, and the personnel